



## ◆◆◆ AGENDA ◆◆◆

POLICE & FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
**MEETING NUMBER 3179 – THURSDAY, JANUARY 18, 2018**  
9:00 A.M.

**CHAIRMAN: JOHN SERDA**

**VICE CHAIRMAN: JEFFREY PEGG**

!!!!!!!!!!!!!!

ROLL CALL

**AGENDA APPROVAL**

HYBRID APPLICATIONS PAGE 11

DROP APPLICATIONS PAGE 11

RETIREMENT APPLICATIONS PAGE 11

RECEIPTS (ACKNOWLEDGE ONLY) PAGE 12

DISBURSEMENTS SEPARATE SUBMISSION

**MINUTES FOR DISTRIBUTION:      JANUARY 4, 2018**

**MINUTES FOR APPROVAL:** **DECEMBER 7, 2017**

## ASSISTANT EXECUTIVE DIRECTOR'S REPORT

## EXECUTIVE DIRECTOR'S REPORT

## CHIEF INVESTMENT OFFICER'S REPORT

## PUBLIC RELATIONS ADVISOR'S REPORT

# LOBBYIST'S REPORT

## GENERAL COUNSEL'S REPORT

## COMMITTEE REPORT

## INVESTMENT COMMITTEE REPORT

**JANUARY 18, 2018**

## 10:00 A.M. – FUNDING POLICY DISCUSSION

10:30 A.M.

11:00 A.M. – UHY ERP UPDATE

11:30 A.M.

## 12:00 P.M. - LEGAL DISCUSSION

01:00 P.M.

JANUARY 25, 2018

NO MEETING

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
MEETING NUMBER 3179 – THURSDAY – JANUARY 18, 2018

**2018 MEETING SCHEDULE  
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM\***

<b><u>DAY</u></b>	<b><u>DATE</u></b>	<b><u>TIME</u></b>	<b><u>LOCATION</u></b>
<b>THURSDAY</b>	<b>FEBRUARY 1, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>FEBRUARY 15, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>MARCH 1, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>MARCH 15, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>APRIL 5, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>APRIL 19, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>MAY 3, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>MAY 17, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>JUNE 7, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>JUNE 21, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
MEETING NUMBER 3179 – THURSDAY – JANUARY 18, 2018

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**2018 MEETING SCHEDULE**  
**BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM\* - CONTINUED**

<b><u>DAY</u></b>	<b><u>DATE</u></b>	<b><u>TIME</u></b>	<b><u>LOCATION</u></b>
<b>THURSDAY</b>	<b>JULY 5, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>JULY 19, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>AUGUST 2, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>AUGUST 16, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>SEPTEMBER 6, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>SEPTEMBER 20, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>OCTOBER 4, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>OCTOBER 18, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>NOVEMBER 1, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>NOVEMBER 15, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>DECEMBER 6, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>DECEMBER 20, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>

**\*MEETING DATES/TIMES SUBJECT TO CHANGE. ANY DATE/TIME CHANGES WILL BE IMMEDIATELY  
AND APPROPRIATELY POSTED.**

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
MEETING NUMBER 3179 – THURSDAY – JANUARY 18, 2018

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**2018 MEETING SCHEDULE  
INVESTMENT COMMITTEE OF THE POLICE AND FIRE RETIREMENT SYSTEM\***

<b><u>DAY</u></b>	<b><u>DATE</u></b>	<b><u>TIME</u></b>	<b><u>LOCATION</u></b>
<b>MONDAY</b>	<b>JANUARY 22, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM - TELECONFERENCE</b>
<b>MONDAY</b>	<b>MARCH 5, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>MONDAY</b>	<b>MAY 21, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM - TELECONFERENCE</b>
<b>MONDAY</b>	<b>JULY 16, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM - TELECONFERENCE</b>
<b>MONDAY</b>	<b>AUGUST 27, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>MONDAY</b>	<b>OCTOBER 22, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>MONDAY</b>	<b>DECEMBER 17, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM - TELECONFERENCE</b>

**\*MEETING DATES/TIMES SUBJECT TO CHANGE. ANY DATE/TIME CHANGES WILL BE IMMEDIATELY AND APPROPRIATELY POSTED.**

**2018 DISABILITY AND RE-EXAM REPORTING SCHEDULE  
MEDICAL DIRECTOR FOR THE POLICE AND FIRE RETIREMENT SYSTEM\***

<b><u>DAY</u></b>	<b><u>DATE</u></b>	<b><u>TIME</u></b>	<b><u>LOCATION</u></b>
THURSDAY	FEBRUARY 1, 2018	10:00 A.M.	CONFERENCE ROOM
THURSDAY	MARCH 1, 2018	10:00 A.M.	CONFERENCE ROOM
THURSDAY	APRIL 5, 2018	10:00 A.M.	CONFERENCE ROOM
THURSDAY	MAY 3, 2018	10:00 A.M.	CONFERENCE ROOM
THURSDAY	JUNE 7, 2018	10:00 A.M.	CONFERENCE ROOM
THURSDAY	JULY 5, 2018	10:00 A.M.	CONFERENCE ROOM
THURSDAY	AUGUST 2, 2018	10:00 A.M.	CONFERENCE ROOM
THURSDAY	SEPTEMBER 6, 2018	10:00 A.M.	CONFERENCE ROOM
THURSDAY	OCTOBER 4, 2018	10:00 A.M.	CONFERENCE ROOM
THURSDAY	NOVEMBER 1, 2018	10:00 A.M.	CONFERENCE ROOM
THURSDAY	DECEMBER 6, 2018	10:00 A.M.	CONFERENCE ROOM

**\*MEETING DATES/TIMES SUBJECT TO CHANGE. ANY DATE/TIME CHANGES WILL BE  
IMMEDIATELY AND APPROPRIATELY POSTED.**

**TABLED MOTIONS**

**TABLED OCTOBER 16, 2014:** TRUSTEE ORZECH'S MOTION (SUPPORTED BY TRUSTEE PEGG) THAT PAYMENT OF ATTORNEY FEES BE CAPPED AT \$300 UNLESS PAYMENT OF A HIGHER FEE IS SANCTIONED BY THE BOARD

**MANAGER WATCH LIST**

CBRE CLARION GLOBAL REIT (REAL ESTATE MANAGER) – REAL ESTATE – PLACED ON WATCH LIST DECEMBER 16, 2016 – THREE-YEAR INVESTMENT PERFORMANCE BELOW POLICY AND MEDIAN – THREE-YEAR NUMBER BELOW POLICY BENCHMARK

PENN CAPITAL MANAGEMENT (FIXED INCOME INVESTMENT MANAGER) – HIGH YIELD - PLACED ON WATCH LIST MARCH 16, 2016 - THREE-YEAR INVESTMENT PERFORMANCE BELOW POLICY AND MEDIAN – THREE-YEAR NUMBER BELOW POLICY BENCHMARK

TT INTERNATIONAL (NON-U.S. EQUITY INVESTMENT MANAGER) – NON-U.S. EQUITY – PLACED ON WATCH LIST DECEMBER 16, 2016 – THREE-YEAR INVESTMENT PERFORMANCE BELOW POLICY AND MEDIAN – CHALLENGING FOURTH QUARTER PUSHED THREE-YEAR PERFORMANCE BELOW POLICY AND MEDIAN

WELLS CAPITAL MANAGEMENT (U.S. EQUITY INVESTMENT MANAGER) – SMALL-CAP GROWTH – PLACED ON WATCH LIST MARCH 16, 2016 – THREE-YEAR INVESTMENT PERFORMANCE BELOW POLICY AND MEDIAN – THREE-YEAR NUMBER BELOW POLICY BENCHMARK

**COMMITTEES**

**BUDGET** – DIAZ, MCLELLAN, WATSON

**CUSTOMER SERVICE** – ENGLISH, NEARY, PEGG

**DISABILITY** – DIAZ, ENGLISH, MOSLIMANI, NEARY, GENERAL COUNSEL RONALD A. KING

**DROP (DEFERRED RETIREMENT OPTION PLAN)** – DIAZ, GNATEK, PEGG, WATSON, GENERAL COUNSEL RONALD A. KING

**INFORMATION TECHNOLOGY** – ENGLISH, NEARY, PEGG, TUCKER

**INVESTMENT POLICIES, PROCEDURES AND GUIDELINES** – DIAZ, NEARY, PEGG, GENERAL COUNSEL RONALD A. KING, CHIEF INVESTMENT OFFICER RYAN C. BIGELOW

**INVESTMENT ROUNDTABLE** – DIAZ, MCLELLAN, NEARY, PEGG, ROBERSON, CHIEF INVESTMENT OFFICER RYAN C. BIGELOW

**COMMITTEES - CONTINUED**

**JOINT FOUNDATION ESTABLISHMENT** – PFRS: JAMES, JONES, PEGG – GRS: BENSON, NICKLEBERRY

**JOINT PERSONNEL** – PFRS: NAGLICK, NEARY, SERDA – GRS: NICKLEBERRY, SHEEHAN, HALL-WAGNER

**LEGAL REVIEW** – DIAZ, JAMES, MOSLIMANI, PEGG, ROBERSON

**LOAN BANKING COMMITTEE** – GNATEK, MCLELLAN, NAGLICK, PEGG

**NEWSLETTER/WEBSITE** – DIAZ, GNATEK, PEGG

**POLICY** – JAMES, NEARY, PEGG

**PUBLIC RELATIONS** – DIAZ, ENGLISH, NAGLICK, PEGG, SERDA, EXECUTIVE DIRECTOR DAVID CETLINSKI, GENERAL COUNSEL RONALD A. KING

**SEVENTEENTH (17<sup>TH</sup>) BOARD MEMBER** – GNATEK, NEARY, PEGG, EXECUTIVE DIRECTOR DAVID CETLINSKI

**PFRS SPECIAL LEGAL COUNSEL**

**CLARK HILL, PLC** – CHAPTER 9/POST-CHAPTER 9 BANKRUPTCY; NOVEMBER 22, 2010 DETROIT FREE PRESS FOIA REQUEST; SANDWEISS LAW CENTER VERSUS PFRS/GRS; KEITH BROOKS; TRADEWINDS AIRLINES, INC.; PITG GAMING; SHARP VERSUS PFRS; FLYNN LITIGATION; INVESCOR, LTD.; RETRO PAYMENT REQUEST OF JOSEPH MCKINNEY

**COUZENS, LANSKY, ELLIS, FEALK, ROEDER & LAZAR, P.C.** (DON WAGNER) – WESTIN BOOK CADILLAC

**DAVIDSON, P.C., F. LOGAN** – PARAMOUNT LAND HOLDINGS; ENVIRONMENTAL DISPOSAL SYSTEMS, INC.; 501 (C) 25 TAX FILINGS; CAPREIT-TERA; ONYX CAPITAL ADVISORS; WASHINGTON PLAZA; TCR AFFORDABLE APARTMENT PORTFOLIO

**GUREWITZ, MARY ELLEN** – EMPLOYER CONTRIBUTIONS DUE THE SYSTEM

**RACINE & ASSOCIATES** (MARIE T. RACINE) – PARAMOUNT LAND HOLDINGS, LLC

**SULLIVAN, ASHER, PATTON & WARD P.C.** – NO PENDING CASES

**VANOVERBEKE, MICHAUD & TIMMONY, P.C.** (JACK TIMMONY)

**WALKER, P.C., LAWRENCE** – JERRY Q. FRANKS; DIAN NELSON; STATE TREASURER VERSUS GEORGE W. ALLEN, ET AL

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
MEETING NUMBER 3179 – THURSDAY – JANUARY 18, 2018

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**PFRS GENERAL COUNSEL**

RONALD A. KING  
**CLARK HILL, PLC**  
212 EAST GRAND RIVER AVENUE  
LANSING, MICHIGAN 48906  
PHONE: 517-318-3015 – FAX: 517-318-3068

**PFRS PUBLIC RELATIONS ADVISOR**

BRUCE BABIARZ  
**BAB ASSOCIATES, LLC**  
39400 WOODWARD AVENUE – SUITE 190  
BLOOMFIELD HILLS, MICHIGAN 48304-5154  
PHONE: 248-890-5030

**PFRS LOBBYIST**

OSCAR W. KING, III  
**KELLEY CAWTHORNE**  
208 NORTH CAPITOL AVENUE – 3<sup>RD</sup> FLOOR  
LANSING, MICHIGAN 48933-1356  
PHONE: 517-371-1400

**PFRS REAL ESTATE CONSULTANT**

MICHAEL MURPHY  
**COURTLAND PARTNERS**  
127 PUBLIC SQUARE  
SUITE 5050  
CLEVELAND, OHIO 44114-1246  
PHONE: 216-522-0330 – FAX: 216-522-0331 – E-MAIL: MPM@COURTLAND.COM

**PFRS ACTUARY**

KEN ALBERTS/DAVID KAUSCH  
JUDITH KERMANS  
**GABRIEL, ROEDER, SMITH & COMPANY**  
ONE TOWN SQUARE  
SUITE 800  
SOUTHFIELD, MICHIGAN 48076  
PHONE: 248-799-9000 – FAX: 248-799-9020

**PFRS AUDITORS**

MICHELLE WATTERWORTH/BETH BIALY  
MANJU PAITNAIK/SPENCER TAWA  
**PLANTE MORAN**  
27400 NORTHWESTERN HIGHWAY  
POST OFFICE BOX 307  
SOUTHFIELD, MICHIGAN 48037  
PHONE: 248-352-2500 – FAX: 248-352-0018  
E-MAIL: MICHELLE.WATTERWORTH@PLANTEMORAN.COM

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
MEETING NUMBER 3179 – THURSDAY – JANUARY 18, 2018

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**PFRS ACCOUNTING FIRM**

MARLENE BEACH  
JOHN PEPPERMAN  
**UHY, LLP**  
27725 STANSBURY BOULEVARD  
SUITE 200  
FARMINGTON HILLS, MICHIGAN 48334  
PHONE: 248-355-1040 – FAX: 248-355-1084

**PFRS GENERAL INVESTMENT CONSULTANT**

DAVID LINDBERG/CALVIN BORN, JR.  
**WILSHIRE ASSOCIATES**  
210 6TH AVENUE  
SUITE 3720  
PITTSBURGH, PENNSYLVANIA 15222  
PHONE: 310-451-3051

**PFRS VALUATION FIRM**

COREY THOMPSON  
**STOUT, RISIUS & ROSS**  
4000 TOWN CENTER  
20<sup>TH</sup> FLOOR  
SOUTHFIELD, MICHIGAN 48075  
PHONE: 248-432-1319  
EMAIL: CTHOMPSON@SRR.COM

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
MEETING NUMBER 3179 – THURSDAY – JANUARY 18, 2018

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HYBRID APPLICATIONS

NAME-TITLE-DEPARTMENT: JOHN BENNETT – OFFICER - POLICE  
RETIREMENT TYPE-PLAN: HYBRID VESTED PENSION – 2014 PLAN  
SERVICE CREDIT-EFFECTIVE DATE: 02 00 00 – 07 04 16

DROP APPLICATIONS

NAME-TITLE-DEPARTMENT: MARC DELUCA – SERGEANT - POLICE  
RETIREMENT TYPE-PLAN: DROP - NEW  
SERVICE CREDIT-EFFECTIVE DATE: 19 05 13 – 01 17 18

NAME-TITLE-DEPARTMENT: NATHAN JOHNSON – OFFICER - POLICE  
RETIREMENT TYPE-PLAN: DROP - NEW  
SERVICE CREDIT-EFFECTIVE DATE: 16 08 18 – 12 19 17

NAME-TITLE-DEPARTMENT: STEPHEN GEELHOOD – SERGEANT - POLICE  
RETIREMENT TYPE-PLAN: DROP - NEW  
SERVICE CREDIT-EFFECTIVE DATE: 20 00 18 – 12 18 17

RETIREMENT APPLICATIONS

NAME-TITLE-DEPARTMENT: EDWARD LEAHEY – OFFICER - POLICE  
RETIREMENT TYPE-PLAN: SERVICE - NEW  
SERVICE CREDIT-EFFECTIVE DATE: 16 08 27 – 11 18 17

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
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**RECEIPTS**

The Police & Fire Retirement System of the City of Detroit Receipts for Acknowledgement 1/1/18-1/12/18			
Meeting #3179 January 18, 2018	REMITTER	WIRE DATE	DESCRIPTION
<b>RECEIPTS</b>			
Guggenheim High Yield Fund		01/04/18	Distribution
Falconhead Capital Partners II		01/04/18	Distribution
Guggenheim High Yield Fund		01/04/18	Distribution
Alex Brown Realty - Beethoven		01/09/18	Distribution
Lighstone Value Plus		01/09/18	Distribution
Analytic		01/10/18	Distribution
Mesirow Arbitrage		01/12/18	Distribution
FIRST INDEPENDENCE BANK		01/05/18	Loan Deductions
FIRST INDEPENDENCE BANK		01/09/18	Loan Deductions
CITY OF DETROIT		01/05/18	Weekly Mandatory Employee Contribution
CITY OF DETROIT		01/05/18	Weekly Annuity Contribution
CITY OF DETROIT		01/12/18	Weekly Mandatory Employee Contribution
CITY OF DETROIT		01/12/18	Weekly Annuity Contribution
			<b>TOTAL RECEIPTS</b>
			\$ 28,420,786.03

Prepared by Witt, Alec on 1/16/2018

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